

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-03655A
Cactus-Stellar Limited
12625 W. Cactus Ridge
HCR #2 Box 469
Tucson, AZ 85735

ANNUAL REPORT

RECEIVED

MAR 24 2006

**Z Corporation Commissic
Director of Utilities**

FOR YEAR ENDING

12	31	2005
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FOR COMMISSION USE

ANN04	05
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Entered
3-28-06
RF

COMPANY INFORMATION

Company Name (Business Name) Cactus Stellar, Ltd.

Mailing Address HCR 2, Box 469
(Street)
Tucson AZ 85735
(City) (State) (Zip)

520-822-2214 520-331-0041
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address tutors2@earthlink.net

Local Office Mailing Address Same as above
(Street)
(City) (State) (Zip)

Same
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address Same as above.

MANAGEMENT INFORMATION

Management Contact: Mike Gallego President
(Name) (Title)

HCR 2, Box 474 Tucson AZ 85735
(Street) (City) (State) (Zip)

520-822-5177 - -
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address mandmgallego@cs.com

On Site Manager: C. Tanya Power
(Name)

HCR 2, Box 469 Tucson AZ 85735
(Street) (City) (State) (Zip)

520-822-2214 520-331-0041
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address tutors2@earthlink.net

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Richard Little

(Name)

4837 E. 5th St.

(Street)

Tucson

(City)

AZ

(State)

85711

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Same as above

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☒ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe)

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☒ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

*Cactus Stellar, Ltd.***UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	<i>line fixed</i>		
307	Wells and Springs	<i>city owned</i>		
311	Pumping Equipment	<i>city owned</i>		
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	<i>Ø</i>		

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

*Cactus-Stellar, Ltd.***CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	<i>line fixed</i>		
307	Wells and Springs	<i>city owned</i>		
311	Pumping Equipment	<i>city owned</i>		
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	<i>Ø</i>		

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME

*Cactus, Stellar***BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 7,193.53	\$ 6,542.04
134	Working Funds	7,193.53	6,542.04
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 7,193.53	\$ 6,542.04
	FIXED ASSETS		
101	Utility Plant in Service	\$	\$
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant		
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$	\$
	TOTAL ASSETS	\$ 7,193.53	\$ 6,542.04

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME Cactus Stellar, Ltd.**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable <i>testing + water bills</i>	\$ ∅	\$ ∅
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ ∅	\$ ∅
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ ∅	\$ ∅
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ ∅	\$ ∅
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ ∅	\$ ∅
	TOTAL LIABILITIES	\$ ∅	\$ ∅
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ ∅	\$ ∅
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ ∅	\$ ∅
	TOTAL LIABILITIES AND CAPITAL	\$ ∅	\$ ∅

COMPANY NAME Cactus Stellar, Ltd.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 6,552.31	\$ 5381.78
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 6,552.31	\$ 5381.78
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water	3,429.70	2833.71
615	Purchased Power		
618	Chemicals		
620	Repairs and Maintenance	70.00	75.00
621	Office Supplies and Expense	74.00	95.75
630	Outside Services		
635	Water Testing	505.00	140.00
641	Rents		
650	Transportation Expenses		
657	Insurance - General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case	10.00	10.00
675	Miscellaneous Expense		
403	Depreciation Expense		
408	Taxes Other Than Income		
408.11	Property Taxes		
409	Income Tax	1,153.25	3054.22
	TOTAL OPERATING EXPENSES	\$ 5241.95	\$ 6199.68
	OPERATING INCOME/(LOSS)	\$	\$
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ 1310.36	\$ -817.90

COMPANY NAME

*Cactus Stellar, Ltd.***SUPPLEMENTAL FINANCIAL DATA****Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ Ø

Meter Deposits Refunded During the Test Year

\$ Ø

COMPANY NAME

*Cactus Stellar, Ltd.***WATER COMPANY PLANT DESCRIPTION****WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
<i>City of Tucson Los Reales Well</i>		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity

COMPANY NAME

*Cactus Stellar, Ltd.***WATER COMPANY PLANT DESCRIPTION (CONTINUED)****MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	<i>NA</i>	<i>/</i>
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
<i>5/8 X 3/4</i>	
<i>3/4</i>	<i>17</i>
<i>1</i>	
<i>1 1/2</i>	
<i>2</i>	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:*NA - City of Tucson Treatment***STRUCTURES:***None***OTHER:**

COMPANY NAME: Cactus Stellar, Ltd.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	14	69319	4231
FEBRUARY	15	70397	12285
MARCH	15	106772	11055
APRIL	15	136629	14801
MAY	15	129148	15250
JUNE	15	161057	20009
JULY	15	149998	19883
AUGUST	15	94417	11240
SEPTEMBER	15	111665	12925
OCTOBER	15	130096	14592
NOVEMBER	16	100864	10169
DECEMBER	16	80853	9353
TOTAL		1341215	155793

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. _____ mg/l

(If more than one well, please list each separately.)

The City of Tucson is responsible for it's on their Los Reales Well.

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Cactus Stellar, Ltd. YEAR ENDING 12/31/2005

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. The City of Tucson owns the well. They send the bill, we read the meters, send the individual bills, replace meters/pipes from the main meter. No one is salaried. Monies collected pay the City water bill and pay for repairs and income tax. There is no property to tax.

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
<u>Pima</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Tanya Power Treasurer</u>
COMPANY NAME
<u>Cactus Stellar, Ltd.</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

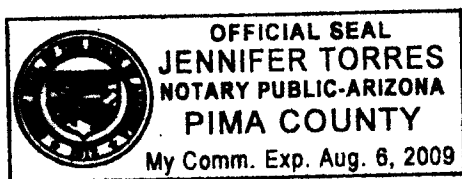
MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2005</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



Tanya Power
SIGNATURE OF OWNER OR OFFICIAL

520-822-2214
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME Jennifer Torres

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

21ST

DAY OF

COUNTY NAME
<u>Pima, AZ</u>
MONTH
<u>March</u>
YEAR
<u>2006</u>

(SEAL)

MY COMMISSION EXPIRES Aug 6, 2009

Jennifer Torres
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Cactus Stellar, Ltd.

YEAR ENDING 12/31/2005

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____

Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported _____

Estimated or Actual State Tax Liability _____

\$3054.22

Same - send every month.

extra for back taxes, pd. up.

Amount of Grossed-Up Contributions/Advances: _____

Amount of Contributions/Advances _____

Amount of Gross-Up Tax Collected _____

Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

PRINTED NAME

TITLE

- NA -

We do not have gross-up
tax refunds.

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Pima</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Tanya Power, Treasurer</u>
COMPANY NAME <u>Cactus Stellar, Ltd.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 5381.78

(THE AMOUNT IN BOX ABOVE
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Tanya Power
SIGNATURE OF OWNER OR OFFICIAL
520-822-2214
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME Jennifer Torres

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

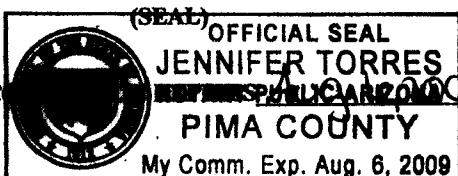
THIS

21ST

DAY OF

COUNTY NAME	<u>Pima</u>
MONTH	<u>March</u>
	<u>2006</u>

MY C



Jennifer Torres
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <i>Pima</i>	
NAME (OWNER OR OFFICIAL) <i>Tanya Power</i>	TITLE <i>Treasurer</i>
COMPANY NAME <i>Cactus Stellar, Ltd.</i>	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 5381.78

**(THE AMOUNT IN BOX AT LEFT
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED)**

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

Tanya Power
SIGNATURE OF OWNER OR OFFICIAL

520-822-2214
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

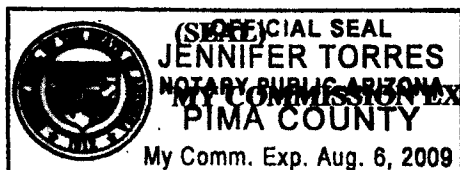
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

21st

DAY OF

NOTARY PUBLIC NAME <i>Jennifer Torres</i>	
COUNTY NAME <i>Pima</i>	
MONTH <i>March</i>	<i>2006</i>



MY COMMISSION EXPIRES *Aug 6, 2009*

X *J. Torres*
SIGNATURE OF NOTARY PUBLIC